

SEP 23 1999 1178

Santa Clara Valley Water District

**Imported Water Program****Phone Number: (408)265-2600****Fax Number: (408)264-0213****Date:** 9/23/99

To	Company or Agency	Fax Number
Rick Breitenbach	CALPED	916-654-9780

From: Amy Fowler**Total Pages:** 16 (in 2 batches)**Message:** Comments on EIR/S
Original in mail.

1178

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AN EQUAL OPPORTUNITY EMPLOYER

June 30, 1999

Honorable Bruce Babbitt
Secretary, Department of the Interior
1849 C Street, NW
Washington, D.C. 20240

Honorable Gray Davis
Governor, State of California
State Capitol
Sacramento, CA 95814

Dear Secretary Babbitt and Governor Davis:

We commend your leadership and appreciate your continuing commitment to the CALFED process. As leaders of Santa Clara County's local governments, water supply agencies, business and industries, and the agricultural and environmental communities, we would like to express our support for the CALFED Bay-Delta Program and convey our joint message on the continuing development and progress of the program.

Santa Clara County, synonymous with Silicon Valley, is home to 1.7 million residents and over 1,500 businesses specializing in knowledge-based services and high-tech manufacturing. Exports from the San Jose metropolitan region in 1997 were valued at over \$29 billion, ranking second in the nation. A reliable, high quality imported water supply is essential to sustaining the quality of life in Santa Clara County. In an average year, water imported from the Bay-Delta watershed constitutes more than half of the County's supply. A substantial portion of this water is treated and reused. The reliability and quality of this Bay-Delta supply must meet the needs of Santa Clara County to sustain economic growth and protect the environment and the quality of life we treasure.

People choose to live and work in Santa Clara County because of its exceptional environmental quality and cultural diversity. We, the undersigned, share an interest in helping CALFED protect and restore the environment of the entire Bay-Delta region, including Santa Clara County, through an effective water supply management and environmental restoration program. The work CALFED has accomplished to date in ecosystem restoration is an impressive start. Santa Clara County remains committed to the goals of a healthy, functioning ecosystem.

We support and very much appreciate President Clinton's budget request for initial funding of CALFED's Stage 1 implementation. We believe, however, that it is imperative that adequate state and federal funding be provided throughout the 7-year duration of Stage 1 implementation. We further believe that CALFED's success is contingent on its ability to meet all of its objectives through a balanced implementation program that provides equitable and progressive improvement in water

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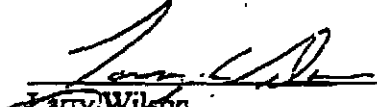
Honorable Bruce Babbitt
Honorable Gray Davis

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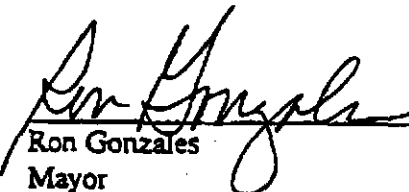
June 30, 1999


quality, water supply reliability, and ecosystem restoration. We look forward to CALFED's timely completion of its water management strategy and environmental documentation such that program implementation in all resource areas can begin. Attached is a set of message points that explain in greater detail our interests in the CALFED process.


Sincerely,



Larry Wilson
Chair, Board of Directors
Santa Clara Valley Water District

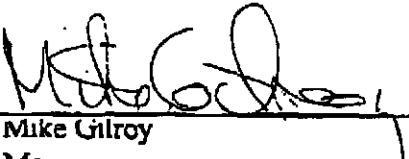

Pete McHugh
Chair
Santa Clara County Board of Supervisors



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Mayor
City of San Jose

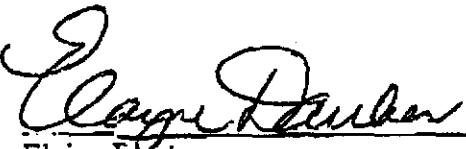

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Wally Dean
Mayor
City of Cupertino


Mike Gilroy
Mayor
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Elaine Dauber
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Town of Los Altos Hills

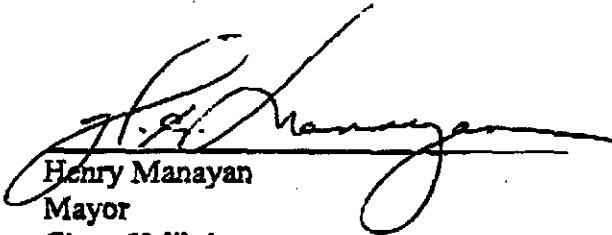

Jan Hutchins
Mayor
Town of Los Gatos

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Honorable Bruce Babbitt
Honorable Gray Davis

3

June 30, 1999



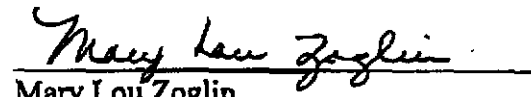
Henry Manayan
Mayor
City of Milpitas



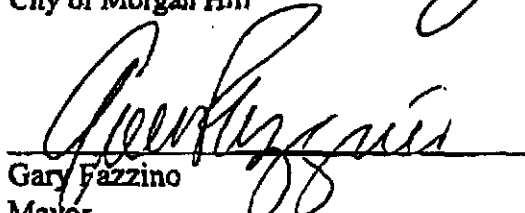
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City of Monte Sereno




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Mary Lou Zoglin
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Gary Fazzino
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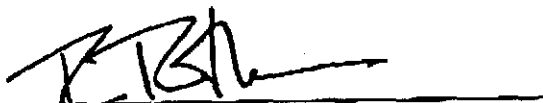
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Manuel Valerio
Mayor
City of Sunnyvale



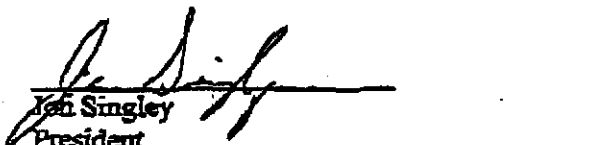
Carl Guardino
President/CEO
Silicon Valley Manufacturing Group



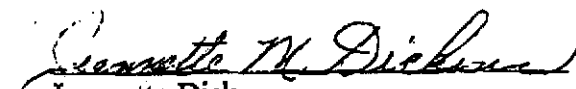
W. Richard Roth
President
San Jose Water Company



Ruben Barrales
President/CEO
Joint Venture: Silicon Valley Network



Jon Singley
President
California Landscape Contractor's Association
San Francisco Bay Area Chapter



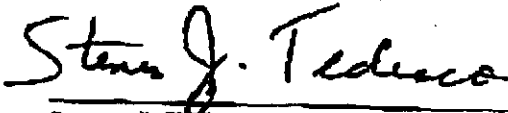
Jeannette M. Dickens
President
Santa Clara County Farm Bureau

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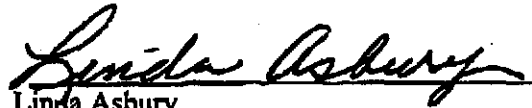
Honorable Bruce Babbitt
Honorable Gray Davis

4

June 30, 1999



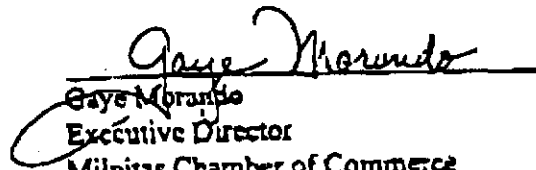
Steven J. Tedesco
President and CEO
San Jose Silicon Valley Chamber of Commerce



Linda Asbury
Executive Director
Cupertino Chamber of Commerce



Susan Valenta
Executive Director
Gilroy Chamber of Commerce



Gaye Morando
Executive Director
Milpitas Chamber of Commerce



Carol Olson
President
Mountain View Chamber of Commerce



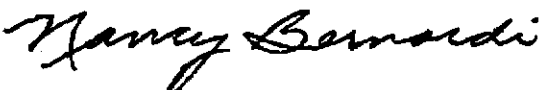
Susan Frank
President and CEO
Palo Alto Chamber of Commerce



Sheri Lewis
Executive Director
Los Gatos Chamber of Commerce



Suzi Blackman
Executive Director
Sunnyvale Chamber of Commerce



Nancy Bernardi
President
Guadalupe Coyote Resource Conservation District

Attachment

cc: Members of Santa Clara County Congressional Delegation
Members of Santa Clara County State Legislative Delegation
Lester Snow, CALFED Bay-Delta Program

Honorable Bruce Babbitt
Honorable Gray Davis

5

June 30, 1999

Key and Supporting Message Points:

1. **Equitable and progressive improvement in all solution areas during Stage 1.** To meet the CALFED Bay-Delta Program's four equal goals of improved water quality, water supply reliability, ecosystem restoration, and levee stability, program development and implementation must provide for balanced achievement of these four goals, recognizing that historic imbalances should be corrected to the extent possible.
2. **Sustained state and federal funding to support Stage 1 actions in all solution areas.** Constituents of Santa Clara County support the President's FY2000 budget request of \$95 million for CALFED and believe that it should be fully appropriated. However, CALFED's Stage 1 implementation is expected to begin in July 2000 and continue for seven years. We recognize CALFED's "beneficiaries-pay" principle. Nonetheless, to accompany local public and users-based sources of funding, adequate state and federal funding are imperative throughout the first stage to support a balanced program of implementation in the following areas:
 - a. **Source water quality improvements.** CALFED committed to provide safe, reliable, and affordable drinking water in a cost effective way either by achieving adopted drinking water quality targets (as specified in the December 1998 Phase II Report) or by providing an equivalent level of public health protection utilizing a cost effective combination of alternative source waters, source control, and treatment technologies. CALFED also committed to provide continuous water quality improvement for Delta drinking water supplies toward these adopted long-term water quality targets. Urban areas such as Santa Clara County that depend on the Delta for water supply need source water quality improvements to protect public health. CALFED's Stage 1 implementation must progressively meet these commitments.
 - b. **Treatment technology implementation.** We believe the state and federal governments have a commitment to help fund, early in Stage 1, the necessary research and implementation of advanced treatment technology at the local water utilities to protect public health and to meet future drinking water quality standards.
 - c. **Feasibility studies for regional alternatives.** As part of the alternative means to achieve CALFED's adopted water quality goals, Santa Clara Valley Water District and other Bay Area water agencies will cooperate with CALFED to jointly investigate the potential to improve drinking water quality through alternative sources of supplies. We anticipate that in addition to local funding sources, CALFED support and funding will be necessary for such an effort.
 - d. **Watershed management programs and Total Maximum Daily Load (TMDL)-based pollution prevention programs.** We believe CALFED should expand the scope and budget of the proposed Stage 1 Watershed Management Program to include pollution prevention efforts in urban watersheds. Constituents of Santa Clara County have developed a watershed management program to coordinate the "patchwork" of separate regulatory actions to address the various sources of pollution that threaten the Bay, and to protect water quality throughout Santa Clara Basin watersheds. The Regional Water Quality Control Boards' efforts in developing TMDL-based pollution prevention programs for individual watersheds must be adequately funded and coordinated with CALFED's water quality program to provide effective pollutant source control throughout the Bay-Delta system.

Honorable Bruce Babbitt
Honorable Gray Davis

6

June 30, 1999

- e. **Conservation and recycling.** Constituents of Santa Clara County support conservation and recycling as necessary elements of the CALFED program. Our local industries, residents, and agriculture have invested heavily in water conservation and reuse. As a matter of fact, the water use in the county over the past eleven years remains below 1987 levels during a period of rapid economic growth. We commit to further water use efficiency as a way to mitigate future shortages. However, other water users, both agricultural and urban, must also commit to significant new efforts in water use efficiency. In addition, CALFED must provide both financial and institutional support to advance demand management and recycling programs to achieve significant gains in these areas.
 - f. **Ecosystem restoration and implementation of the Environmental Water Account.** We continue to support implementation of CALFED's Ecosystem Restoration Program and maximizing coordination and leverage with the Restoration Fund established by the Central Valley Project Improvement Act. We believe the South Bay is integral to the Bay-Delta system and appreciate CALFED's 1998 funding of the barrier removal project on the Guadalupe River and the cold water fisheries and water quality assessment tasks of the Santa Clara Valley Watershed Management Initiative. Such funding efforts link the residents of the South Bay to the CALFED process both geographically and politically and help garner support for CALFED. Furthermore, we support the establishment of the Environmental Water Account as a creative tool in the portfolio of environmental water management measures and actions to simultaneously maximize environmental protection, water supply certainty, and water quality.
 - g. **Integrated storage investigation.** We support CALFED's Water Management Strategy of developing a balanced, phased and integrated package of possible water management tools including: water use efficiency, water transfers, conveyance facilities, and groundwater and surface storage opportunities to achieve ecosystem, water supply reliability, and water quality goals. CALFED needs to perform the necessary studies within Stage 1 to determine the proper mix of surface and/or groundwater storage, and the general operational strategy necessary to meet CALFED objectives.
 - h. **Monitoring and needs assessment for additional Delta facilities.** We support CALFED's approach of maximizing the utility of the existing Delta facilities to meet ecosystem, water supply reliability, water quality, and levee stability goals. However, CALFED should continue to monitor the overall effectiveness of program implementation through Stage 1 and evaluate the need for additional Delta facilities to meet its adopted goals.
3. **Provide assurances of improved water supply reliability and improved water quality.** Constituents of Santa Clara County supported the CALFED process as a consensus-building effort to resolve Bay-Delta issues. As participants of this process, we expect the reliability and quality of State Water Project, Central Valley Project, and Hetch Hetchy supplies for Santa Clara County will be improved. Silicon Valley, the high-tech center of the nation, cannot be sustained if its annual water supply is vulnerable to unpredictable cutbacks and shortages, especially if such shortages have very little linkage to hydrologic conditions. In 1996, stakeholders within Santa Clara County jointly developed an Integrated Water Resources Plan to meet the county's future water needs. This integrated plan, while emphasizing conservation, recycling, banking, and transfers, is built upon the foundation of maximizing use of existing baseline supplies from our three imported water sources and local sources. We expect the CALFED process to provide the assurances and certainty that are critical to our water supply reliability needs.

Honorable Bruce Babbitt
Honorable Gray Davis

7

June 30, 1999

The businesses and residents of Silicon Valley also depend on a high quality source of water to meet industrial and potable needs. We cannot accept any unmitigated degradation of water quality in order for CALFED to meet other program objectives. On the contrary, we expect CALFED to provide continuous improvement towards the achievement of its adopted drinking water quality targets to enable urban water supply agencies to meet future, more stringent drinking water regulations in an economical and feasible manner.

4. **Fair and equitable allocation of program costs.** The allocation of costs to implement the Bay-Delta solution must be equitable, and commensurate with improved drinking water quality, water supply reliability, levee stability, and environmental benefits.
5. **Cost-effective implementation and adaptive management.** We believe that CALFED should implement program actions that are cost-effective and provide multiple benefits in the four solution areas. In addition, CALFED's staged implementation and decision-making process should be designed to allow for scientific evaluation of program performance and to facilitate the adaptive management process.
6. **Maintain focus and momentum to resolve Bay-Delta issues.** We appreciate the monumental task that CALFED is undertaking to resolve Bay-Delta issues and we commend CALFED's efforts and progress to-date. We strongly urge CALFED to continue making progress and seeking closure with all of the interested parties in its development of a long-term comprehensive plan that will restore ecological health and improve water management for beneficial uses of the Bay-Delta system. We look forward to CALFED finalizing its Programmatic EIR/EIS such that program implementation in all resource areas can begin.



Imported Water Program

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Rick Breitenbach	CALPED	916-654-9780

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Santa Clara Valley Water District



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AN AFFIRMATIVE ACTION EMPLOYER

September 23, 1999

Rick Breitenbach
CALFED Bay-Delta Program
1416 Ninth Street, Suite 1155
Sacramento CA 95814

SCVWD Comments on the June 1999 CALFED Draft PEIR/S and Phase II Report

Dear Mr. Breitenbach,

Attached is a set of policy and technical comments from the Santa Clara Valley Water District on the subject EIR/S. We would also like to have an opportunity to review any findings and reports on the Water Management Strategy, the Environmental Water Account, the Governance Plan, and the Finance Plan before they are finalized and incorporated into the final Programmatic EIR/S.

Also attached is a June 30, 1999 joint letter signed by the constituents of Santa Clara County. This letter expresses the unanimous view that the reliability and quality of our Bay-Delta supply must meet the needs of Santa Clara County to sustain economic growth and protect the environment and the quality of life we treasure.

We look forward to working with CALFED to ensure that the final EIR/S provides a balanced plan towards achieving all of the CALFED program objectives.

Sincerely,

Stanley M. Williams
General Manager

attachments

SCVWD Comments on the June 1999 CALFED Draft PEIR/S and Phase II Report

General Comments:

Santa Clara Valley Water District is the water resource management agency providing flood-protection needs and wholesale water reliability to Santa Clara County's 1.7 million residents and 1,500 businesses that contribute to the \$104 billion regional economy of San Jose Metropolitan area. In an average year, over half of our supplies is imported into Santa Clara County through the State Water Project, the Central Valley Project, and the Hetch Hetchy Project. The reliability and quality of our Bay-Delta supplies are paramount to support and sustain the demands of Silicon Valley.

We expressed our support for CALFED in the June 30, 1999 joint letter from Santa Clara County signed by the County Board of Supervisors, all 15 cities in the county, business leaders representing high-tech industries and commerce, the Santa Clara County Farm Bureau, and the Guadalupe Coyote Resource Conservation District. We also pointed out that in order for CALFED to succeed, it must meet all four of its program objectives through a balanced implementation program. This balanced implementation must provide equitable and progressive improvement in water supply reliability, drinking water quality, and ecosystem restoration.

As we review the June 1999 revised EIR/S and revised Phase II report, we are increasingly concerned over CALFED's ability to meet the needs that we have stated. We did not see any near-term improvements in water supply reliability. On the contrary, we see our existing SWP and CVP reliability being eroded away. We also did not see any near-term improvements in drinking water quality. On the contrary, the EIR/S stated that there is a strong potential that our drinking water quality may degrade due to CALFED's Ecosystem Restoration Program.

We have supported the CALFED program based on the assumptions that CALFED will improve our water supply reliability and water quality, and that a comprehensive solution that allows every interest to "get better together" is the superior solution. In order to be convinced that CALFED still deserves our support, especially our financial support, we need to be shown identifiable, tangible, and quantifiable benefits in water supply reliability, in drinking water quality, and in regulatory certainty, that will occur in Stage 1. We expect CALFED to address these concerns in your continuing work on the Water Management Strategy, the Integrated Storage Investigation, the Implementation Plan, and in your revision of the EIR/S.

Water Quality:

We support CALFED's adoption of long-term drinking water quality targets specifically for bromide and total organic carbon and its commitment to provide continuous improvement towards these adopted targets. However, we are concerned with the lack of near-term, Stage 1 actions that would demonstrate continuous improvements in drinking water quality. We are also

concerned with the lack of mitigation actions to address potential degradation of drinking water quality from wetland restoration actions and from increased discharges due to population growth in Central Valley.

CALFED acknowledged in the Water Quality Program Plan that "it is uncertain whether implementing the actions ... will, by themselves, result in acceptable drinking water quality that meets current and future state and federal regulations. Significant changes in source water quality are linked to the choice of storage and conveyance options." However, the current draft preferred alternative does not include storage and conveyance options that would likely provide significant improvements in source water quality. Furthermore, the Water Quality Program Plan states that the proposed approach to reduce total organic carbon through Delta island drainage treatment "may not be practical if CALFED actions to restore the aquatic ecosystem result in new inputs of organic carbon to the system." CALFED must demonstrate its commitment to the solution principle of minimizing re-directed impacts by introducing and funding mitigation actions in the Ecosystem Restoration Program Plan to mitigate for drinking water quality impacts.

CALFED must provide source water quality improvements to urban agencies dependent on the Delta as a source of drinking water supply. We urge CALFED to expeditiously achieve its long-term water quality objectives of 50 µg/l bromide and 3 mg/l total organic carbon or an equivalent level of public health protection through a cost-effective combination of conveyance changes, alternative source water, source control, and treatment. The achievement of these objectives will help ensure that urban agencies can meet future U.S. EPA regulations for disinfection by-products and pathogens.

CALFED must also adopt intermediate milestones for drinking water parameters including bromide and total organic carbon. Intermediate milestones are needed to indicate whether CALFED has achieved its stated goals of continuous improvement in water quality during Stage 1 and to ensure that urban agencies treating Delta water can comply with drinking water requirements promulgated in the interim using cost-effective feasible technology.

We are concerned that CALFED did not disclose details of implementation of the Drinking Water Quality Improvement Strategy except for the source control actions contained in the Water Quality Program. CALFED must describe actions to be implemented, time schedules of completion, and a comprehensive performance evaluation and decision process on implementation of other elements of the Strategy to meet drinking water quality improvement objectives. It is not acceptable for CALFED to only implement source control actions in Stage 1 and defer other necessary actions needed to provide continuous improvements in drinking water quality. CALFED must also be the impetus for implementing the various elements of the Strategy by providing the technical leadership and funding.

CALFED must also provide the political and financial support for the development of a Drinking Water Protection Policy by the Central Valley Regional Water Quality Control Board,

working with the State Water Resources Control Board, Department of Health Services, San Francisco Bay Regional Water Quality Control Board, and the U.S. Environmental Protection Agency. This policy will include the development of water quality objectives for total organic carbon, total dissolved solids, bromide and pathogens, and the development of a management plan to meet the objectives. This policy is important for achieving drinking water quality improvements and to offset continuing degradation of existing water quality due to increased population pressures and the resulting discharges and pollution.

We urge CALFED to expand its Watershed Management Program to include downstream areas and urban watersheds. The Santa Clara Valley Watershed Management Initiative is a good example of the broad thinking and stakeholder initiative that have been adopted in a highly urbanized environment. We believe such efforts would provide opportunities to improve water quality in urban streams and the Bay, address point and non-point source pollution issues, reduce erosion and sedimentation, help implement the Regional Board's TMDL-based pollution prevention programs, and coordinate the various regulatory actions.

Water Supply and Regulatory Certainty:

CALFED did not provide any targets for its water supply reliability objectives. Consequently, it is difficult to measure benefits that would result from implementation of the Water Management Strategy. The evaluation task is made even more difficult because most of the elements contained within the Water Management Strategy has not been completed and disclosed. CALFED must provide a credible process for stakeholders to review and comment on the products of this Water Management Strategy, including definitions of practicable, implementable, and cost-effective levels of water management tools to be implemented such as conservation, recycling, transfers, conveyance, storage, and operational strategies. This analysis must also disclose what quantifiable benefits would result from implementation of this strategy and to which beneficiaries.

It is alarming, upon further review of CALFED's modeling assumptions for the No Action and Existing Conditions, that water users could potentially lose a minimum of 300 TAF and a maximum of 1.4 MAF under criterion A. In addition, recent discussions within the Environmental Water Account (EWA) development indicate that any potential gains in water supply from operational changes and Stage 1 implementation may become assets of the EWA rather than being shared with water users. This would result in a drastic decrease in water supply for water users dependent on the Delta and CALFED would not be providing any recovery within the near term. Furthermore, any recovery in water user supply that may materialize beyond Stage 1 would be much more expensive since the cheaper alternatives involving system re-operation would have been exhausted for environmental gains. If CALFED adopts this approach, it would be violating its solution principles of being equitable, minimizing re-directed impacts, and providing an affordable solution.

We supported CALFED since its inception on the basis that CALFED would provide

equitable and progressive improvement in all solution areas including water supply reliability, water quality, and ecosystem restoration. The "certainty" contained in the 1994 Accord was hailed as a stabilizer in resolving Bay-Delta conflicts and as a foundation to build a comprehensive, long-term solution. However, recent regulatory actions taken by CALFED's member agencies clearly violate the cooperative spirit of CALFED and if un-checked, would bring the demise of the CALFED Bay-Delta Program.

Finance

In order to secure buy-in to CALFED's beneficiaries-pay principle, each beneficiary must be shown identifiable, tangible, and quantifiable benefits in each of the program areas that "beneficiaries" are expected to pay. Using the Water Quality Program as an example, we expect CALFED to demonstrate, to urban water users as a potential beneficiary expected to pay, the level of reduction in parameters of concern, such as bromide and total organic carbon, that would result from the proposed actions. This "benefit" could then be valued at treatment costs avoided or other measures of willingness to pay.

CALFED cannot equate public financing with user-based financing. While a broad-based user fee may be appropriate in some instances to finance "common property" benefits, it is not a surrogate for public financing sources such as federal and state appropriations, G.O. bonds, etc. Furthermore, diversion fees assessed to water users can only be supported if they are linked specifically to tangible benefits and are part of a broad, wide-ranging plan that also includes public financing.

CALFED must demonstrate that it is more cost-effective to invest in CALFED than for agencies to seek their own alternative solutions. Our customers hold us as urban water providers accountable for providing a reliable water supply of the highest quality in the most cost-effective manner possible. We supported CALFED because we believed it offers the best opportunity to resolve Bay-Delta issues while helping us to achieve our reliability and quality goals. CALFED needs to demonstrate that its Program indeed provides the value that we can responsibly pay for and receive.

There must be a nexus between costs imposed by CALFED on urban agencies and both the rationale for and the ability to recover these costs through water rates. Although CALFED may intend to influence water use behaviors and public values by increasing the price of water, water agencies are restricted to set water rates based on the costs of providing water supply services. CALFED must provide direct value in exchange for these costs so that water agencies can demonstrate to their ratepayers a connection between the rates and charges they apply and the actual costs of providing water supply.

The draft financing plan must account for the cost of re-operating the SWP and CVP to achieve new environmental purposes. The draft plan appears to assume that the SWP and CVP will not only continue to operate to meet both existing and new Delta standards, but will re-

operate existing project facilities to support the Environmental Water Account. But accomplishment of these objectives means the projects will lose flexibility and the project contractors will incur additional risks due to deferred and make-up pumping. CALFED seems to have ignored the costs that the projects and their contractors are incurring because of these new environmental purposes.

CALFED must be consistent in applying policies in the draft finance plan. There are many inconsistencies in the draft finance plan as illustrated below:

- a) The draft plan requires beneficiaries to pay the full cost of planning, design, construction, and operations and maintenance of some types of facilities. But this is not true for other types of facilities, particularly where CALFED believes it needs to court local support, e.g. groundwater storage. CALFED must address this apparent contradiction.
- b) CALFED seems to legitimize "ability-to-pay" issues for levee work but insists that all water users must pay the full cost of new supplies. CALFED must disclose what criteria are being used in applying these broad policy principles.
- c) The draft finance plan introduces a "polluters-pay" concept as a financing option for the Water Quality Program (WQP). However, the Ecosystem Restoration Program (ERP) has not been identified as a potential "polluter" that could degrade drinking water quality. The WQP Appendix notes that the restoration and creation of wetlands under the ERP could increase organic carbon and bromide concentrations in Delta water (page 3-8). Under this polluters-pay concept, the ERP should identify and fund actions to mitigate for degradation of drinking water quality.

All beneficiaries of the CALFED Program should bear an equitable share of program costs. Although CALFED has in the past supported the development of a broad, wide-ranging plan incorporating all types of user fees and public financing, the draft finance plan focuses almost exclusively on water user fees. Recreational boaters, dischargers, those conducting dredge and fill operations and others should share program costs. As an example, one of CALFED's Ecosystem Restoration goals is to "maintain and enhance populations of selected species for sustainable commercial and recreational harvest". Commercial and recreational fishermen are identified as beneficiaries but they have not been included in the financing options. CALFED should expand the draft plan to include fees on all users of Bay-Delta resources that will benefit from the program.

Assurances and Governance:

There is no assurances package contained in the PEIR/S that would provide regulatory certainty over water supply reliability or water quality. CALFED seems to have focused on one of the means (e.g. development of the Environmental Water Account) rather than the end point - certainty for water users and the environment.

The CALFED process was conceived upon the premise that federal and state resource management agencies would work cooperatively with stakeholders in a consensus-building,

problem-solving process to resolve conflicts in the Bay-Delta. Judging from recent events in CVPIA implementation, Trinity River flow decisions, and ESA implementation, it is hard to perceive any adherence to this principle by the resource agencies. The CALFED process would fail if resource agencies are allowed to continue to exercise their regulatory authorities outside of an agreed-upon process and framework. CALFED must develop a governance structure that secures the buy-in and adherence from the implementing agencies. Decision processes must be transparent, science-based, and incorporate input from stakeholders.

Levee System Improvement:

We are concerned with the lack of a stated stability or disaster recovery goal. The Delta supplies water to two-third's of the state's population and this supply source is vulnerable to failure and outage due to flooding, seismic events, or other natural or human-induced disasters. We need to be re-assured that after CALFED implements its Levee System Improvement Program, the Delta would fail less often and less severely, and that recovery time would be shortened to manageable durations, such as 2-3 months maximum after a major seismic event.

We are also concerned with the extent of scientific and technical information being incorporated into CALFED's decision-making process and selection of the preferred alternative package. As an example, the December 1998 Seismic Vulnerability report suggested that "development of seismically-protected routes for water conveyance, either through the Delta or around the Delta", and "development of increased storage capacity south of the Delta to reduce the impact of a disruption in water conveyance and water export capacity" are approaches to reduce either seismic levee vulnerability and/or its potential impacts. We question whether the preferred alternative on storage and conveyance incorporated technical suggestions such as these.

Ecosystem Restoration:

Although we support restoration of the Bay-Delta ecosystem and rehabilitation of natural processes, we are concerned with the open-ended nature of the Ecosystem Restoration Plan and the lack of objective criteria to balance the attainment of long-term goals with near-term resource limitations and conflicts.

We are also concerned with the proposed acquisition of additional ecosystem restoration flows. CALFED must demonstrate a sound scientific basis for the need of these flows, which would be above and beyond environmental flows dedicated by water users under CVPIA, the Vernalis adaptive management program, and other similar programs. We are also concerned that resource agencies would have an unfair advantage in securing environmental flows and reduce the availability of transfer supplies for water users who would need to supplement their existing Bay-Delta supplies.

Furthermore, CALFED has not disclosed the process and the criteria by which decisions on the need for a dual conveyance facility to meet fisheries objectives would be made. This

process must be developed in coordination with the decision process under the Drinking Water Quality Improvement Strategy.

Finally, we urge CALFED to include South Bay as a priority area in implementing its ecosystem restoration, watershed management, and water quality program actions. The South Bay is an integral part of the Bay-Delta system. A clean, healthy, thriving South Bay would benefit the larger San Francisco Bay region and the Delta.